Message Text

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PAGE 01 STATE 068789 ORIGIN EB-08

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COM/OEA - EWALINSKY
DOD/STA - EMURPHY
EUR/CE - SKLINGAMAN
EUR/RPE - JPOLANSKY (INFO.)
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R 282258Z MAR 77
FM SECSTATE WASHDC
TO AMEMBASSY VIENNA
INFO AMEMBASSY BERN
AMEMBASSY MOSCOW
AMEMBASSY STOCKHOLM
USMISSION EC BRUSSELS

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E.O. 11652: N/A

TAGS: PFOR, ECIN, AU

SUBJECT: GOA QUERY ON DOD STUDY OF TECHNOLOGY TRANSFER CONTOLS

REF: VIENNA 2033

1. THE REPORT TO WHICH AGSTNER REFERRED WAS PREPARED BY THE DEFENSE SCIENCE BOARD TASK FORCE ON EXPORT OF U.S. TECHNOLOGY AT THE REQUEST OF THE DEPARTMENT OF DEFENSE. THE TASK FORCE, UNDER THE CHAIRMANSHIP OF J. FRED BUCY, LIMITED OFFICIAL USE

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JR. EXECUTIVE VICE PRESIDENT OF TEXAS INSTRUMENTS
CORPORATION, WAS COMPRISED OF INDIVIDUALS HAVING A
WIDE VARIETY OF EXPERIENCE IN BOTH INDUSTRY AND
GOVERNMENT. THE IMPLICATIONS OF TECHNOLOGY TRANSFER TO
WESTERN ALLIES AND NEUTRAL NATIONS WAS CONSIDERED
PRIMARILY FROM THE STANDPOINT OF POTENTIAL RE-TRANSFER
OF STRATEGIC KNOW-HOW THROUGH THEM TO COMMUNIST NATIONS.

2. THE FINDINGS OF THE TASK FORCE RECOMMENDED CONCENTRATION ON THE OVERRIDING PRIORITY THAT MUST BE MET IF THE U.S. IS TO MAINTAIN ITS LEAD OVER COMMUNIST NATIONS IN STRATEGIC TECHNOLOGIES, I.E. IF DESIGN AND MANUFACTURING KNOW-HOW ARE NOT EFFECTIVELY CONTROLLED, ALL AREAS OF CONTROL BECOME MOOT. THE TASK FORCE URGED THE DEPARTMENT OF DEFENSE TO TAKE THE LEAD IN

FORMULATING POLICIES APPLICABLE TO THE CONTROL OF EXPORT OF CRITICAL TECHNOLOGIES.

- 3. EMBASSY SHOULD INFORM MFA THAT THIS REPORT IS NOT AN OFFICIAL USG POSITION; RATHER IT IS A STUDY REQUESTED BY THE DEPARTMENT OF DEFENSE AND GLEANED FROM THE COMMENTS AND EXPERIENCE OF THE TASK FORCE MEMBERS, MOST OF WHICH WERE LEADERS IN INDUSTRY. THIS REPORT IS NOW BEING REVIEWED BY THE DEPARTMENT OF DEFENSE TO DETERMINE THE NEED AND PRACTICALITY FOR IMPLEMENTING STRICTER CONTROLS ON THE EXPORT OF STRATEGIC TECHNOLOGY. THE DOD REVIEW WILL BE SUBMITTED TO OTHER CONCERNED AGENCIES UPON COMPLETION. STATE WILL ASSESS THE INTERNATIONAL REPERCUSSIONS OF THE REPORT.
- 4. THERE IS NO QUESTION THAT GROWING CONCERN IN THE USG AND THE TRADE COMMUNITY HAS FOCUSED IN RECENT YEARS ON THE NEED TO EXERT STRICTER CONTROLS ON THE EXPORT OF THE DESIGN AND MANUFACTURING KNOW-HOW OF HIGH TECHNOLOGY PRODUCTS. THIS NEED FINDS ITS BASIS IN MAINTAINING A TECHNOLOGICAL LEAD OVER THE COMMUNIST COUNTRIES, LIMITED OFFICIAL USE

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ESPECIALLY IN THE AREA OF PRODUCTS WHICH IN THE HANDS OF THE SOVIETS MAY PROVE DETRIMENTAL TO WESTERN SECURITY. WE WOULD EXPECT THIS PROBLEM TO BE ADDRESSED NOT ONLY IN USG CIRCLES, BUT WITH OUR COCOM PARTNERS AS WELL.

5. FYI: AUSTRIA HAS TRADITIONALLY BEEN CITED AS ONE OF THE PRIMARY FUNNELS FOR DIVERSION OF STRATEGIC GOODS TO EASTERN EUROPE (ALTHOUGH TO THE BEST OF OUR KNOWLEDGE THIS HAS BEEN SOMEWHAT MITIGATED IN RECENT YEARS) FACILITATED BY LAX BGOA CONTROL OVER SUCH EXPORTS. THE TECHNOLOGIES RELATED TO THOSE SAME STRATEGIC GOODS IS NOW UNDER REVIEW, SIMPLY BECAUSE IT IS INCREASINGLY DIFFICULT TO CONTROL TECHNOLOGICAL TRANSFER. WE FIND IT OF INTEREST THAT MFA SHOULD EXPRESS CONCERN OVER THE PROSPECT OF INCREASED U.S. CONTROLS IN THIS SECTOR.

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INFO OCT-01 ISO-00 /005 R

66011

DRAFTED BY EUR/RPE:DHSWARTZ:RP APPROVED BY EUR/RPE:DHSWARTZ

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QUOTE: LIMITED OFFICIAL USE STATE 068789

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Message Attributes

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